

MINUTES

SPECIAL MEETING

McDowell Sonoran Preserve Commission

Plan Review Conference Room

1st Floor, One Civic Center, 7447 E. Indian School Road

June 10, 2003

5:00 p.m.

CALL TO ORDER

The meeting was called to order at 5:05 p.m.

ATTENDANCE

Present: Darren Smith, Chairman
 Les Conklin
 Dennis Carr
 Virginia Korte
 Arnold Roy
 Erik Filsinger
 Christine Kovach
 Solange Whitehead

Absent: Laura Fisher
 Howard Myers
 Don Ruff

Staff: Bob Cafarella
 Claire Miller
 Don Meserve

Visitors: Daniel Basinger, Carla, Jane Rau, Linda Whitehead, and Bob Vairo

REPORT FROM AD HOC FUNDING COMMITTEE

The Commission had invited members of the Ad Hoc Funding Committee to attend this Commission meeting and to participate in the report and discussion. Carla and Bob Vairo attended the Commission meeting as members of the Ad Hoc Funding Committee.

Carla, representing the committee, reported the Ad Hoc Funding Committee worked very hard because they were trying to get a recommendation to the Commission and City Council before the summer break. However, their ability to do work was delayed by the fire department vote because it would have such an impact on the City's budget. If the Commission wanted to do anything on the November ballot, they would have to have something before the Council before their summer break. The feeling of the Committee was that was not feasible.

Carla distributed a copy of the poll questions regarding the attitudes of Scottsdale voters towards mountain and desert preservation issues. She discussed the result of the privately funded survey noting the community support is strong.

Carla reported the Ad Hoc Funding Committee met several times since December 2002, to discuss a range of issues associated with funding to complete acquisition of the remaining land in the planned Preserve boundary. Numerous financing strategies were evaluated. After much discussion, the Committee unanimously approved the following recommendation to the McDowell Sonoran Preserve Commission.

In order to fund the remaining land and access area amenities in the Recommended Study Boundary for the planned Preserve that voters approved in 1995 and 1998 it will require up to \$500 million. The Ad Hoc Funding Committee determined the most feasible option is a .5% sales tax for 25 years. It is further recommended that this funding issue move forward at the earliest appropriate time to public election.

Commissioner Kovach inquired what other options the Committee discussed other than sales tax. Carla stated the Committee looked at several options and determined this was the most feasible option.

Commissioner Kovach inquired what percentage of the Scottsdale sales tax tourists generate. Mr. Cafarella replied it is between 20 and 22 %.

Carla stated she wants to be clear that \$500 million would fund the remaining land in the Recommended Study Boundary and they have always told the voters it would be a one-time vote.

Mr. Cafarella provided an overview of the land that was remaining to be purchased, including State Trust Land reclassified as suitable for conservation under API and State Trust Land included in a recent General Plan amendment that was not reclassified.

Carla stated with regard to timing the March election would be the most feasible.

Commissioner Korte reported that not all of the Ad Hoc Funding Committee members were particularly comfortable recommending the \$500 million price tag and the .5% sales tax increase. She further reported that it is a big nut to swallow and as they go forward with this to preserve this additional acreage, they need all of the support from the city and the community. She inquired whether a .5% sales tax was going to garner that kind of support from the community. She reported she felt it should be questioned regardless of what the poll indicates.

Commissioner Korte stated some of the discussion was regarding the expanded boundary and if they took out the 3,500 acres west of the power lines, that is the most expensive portion of that property, it would significantly reduce the amount that needs to be raised. She commented on the possibility of doing a phased type of format. She remarked she felt there should be additional dialogue among the Commission and the Ad Hoc Funding Committee to look at alternatives that are more realistic.

Commissioner Whitehead stated she felt the percentage increase sounds small and she felt they should get this out to the voters, and try and get it approved.

Chairman Smith stated the .5% sales tax takes all of the head room out of the sales tax that is available to the City to do any other election issues or any infrastructure issues. He further stated that in general it is not good policy to be the sales tax leader within the surrounding communities.

Commissioner Kovach inquired if they are looking at not funding the land west of the power lines, at least the lands that are not suitable for conservation that would require the City to go back to the voters to change the boundary. Mr. Cafarella stated the city would just not spend the money. Carla stated

the Council could choose to de facto change the boundary by not purchasing land but they have never done that. This Commission and the Council have always held the line.

Carla stated, because they are not going to make the October timeline, that the Commission and the Ad Hoc Funding Committee should work together to identify issues and options to still work towards the entire envisioned Preserve and perhaps look at some phasing options.

Commissioner Conklin commented on the importance of holding the integrity of the boundary and following the wishes as indicated in the vote. He further commented that maybe their sales tax would be a little higher than surrounding communities but they would also have something that other communities don't have. A discussion ensued regarding the purchase price of the land.

Commissioner Whitehead stated she felt they should make sure the majority of the money goes towards preservation and the smallest amount goes into improvements for citizens.

Commissioner Filsinger stated he would agree that integrity of the boundary should remain.

Chairman Smith stated the Ad Hoc Funding Committee has done exactly what they were charged with but there are still a lot of questions. He further stated he would suggest that the Ad Hoc Funding Committee continue to look at what options are available and further explore the phasing option. Carla suggested that the Ad Hoc Funding Committee has a little more interaction with the Commission.

Commissioner Kovach stated she felt they should look at taking this to the voters in March regardless of the option they decide upon. She further stated she felt it was very important for the City of Scottsdale to stay competitive in order to attract sales tax dollars

Chairman Smith stated they should also discuss infrastructure and maintenance costs. There needs to be further discussion regarding how to fund the boundary and what options they have regarding how the tax is implemented. They need a better understanding of the cost associated with each component.

Carla remarked that typically the Commission does not meet in July or August so the Committee would probably request that a study session with the Commission be scheduled around midsummer.

COMMISSIONER COMMENTS AND PUBLIC COMMENTS

Jane Rau stated she felt the vast majority of the people would support the .5% sales tax increase. She further stated outsiders coming into Scottsdale pay a majority of the sales tax.

Daniel Basinger inquired what has been happening with the State Land Department in terms of the Toll Brothers acquisition of land along Bell and Pima Roads. Mr. Cafarella stated they are currently in negotiations with Toll Brothers to purchase that land.

Linda Whitehead stated she was gratified to hear so many of the Commissioner members adhering to the boundary that the citizens voted to support.

ADJOURNMENT

Meeting adjourned at 6:00 p.m.

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Respectfully Submitted,

For the Record Court Reporters

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